

Child Care Subsidy Overview

Child care subsidies help families who receive Temporary Assistance to Needy Families and low-income families pay for child care. It is funded through federal Child Care and Development Funds (CCDF), state funds and Temporary Assistance to Needy Families (TANF).

The statewide subsidy system is called Working Connections Child Care. Policy for the program is done by DEL, and eligibility determination and payment by DSHS.

The 2012 Washington State legislature asked DEL to report on the problems with the subsidy system and make recommendation for improvement for policies and processes by December 1, 2012. DEL asked the contractor to give them a critical analysis of the subsidy system. The report included several recommendations for improvement.

Dr. Hyde asked that a short term committee be formed to review the report and make recommendations to her by March 1, 2013. The committee met in January, reviewed documents by email, and finalized their recommendations in February.

The following matrix outlines the recommendations and Dr. Hyde's feedback to the committee. DEL would like ELAC's advice about how to move forward with improvements and simplification of the CCDF Child Care Subsidy Eligibility system at the March 25th ELAC Special Meeting.

Committee Recommendations	Feedback
<ol style="list-style-type: none">1. Align child care eligibility dates and food eligibility dates.2. On reauthorization, only ask client to submit changes to schedule and income.3. On reauthorization, only ask client to submit changes to schedule and income.	On the recommendations regarding alignment: I support having the same criteria, dates, forms (both paper and online), for various benefits for clients. This alignment would require DEL and DSHS to receive the same information so that they can better partner together to serve families. I am encouraged to report that this alignment is already underway through a joint DEL/DSHS "lean" project. An initial report is due to be completed in 6-12 months. Please note that implementing these modifications may require WAC changes by DEL and other agencies. Given the urgency cited in the eligibility report, such change could be moved as rapidly as development of the rules and the Administrative Procedure Act (RCW34.05) allows.
<ol style="list-style-type: none">4. Change the client reporting all changes within 10 days (Provider changes within 5 days) to match Food Stamps (by the 10th of the following month).	DEL will work with DSHS to see if this is possible under the current rules.
<ol style="list-style-type: none">5. Allow verbal verification of work schedule, parent school schedule, and child school schedule.6. Implement options for calculating a rolling average of income since there are some seasons or months the parent may work more hours.	A second set of recommendations deal with rules that exist but are misinterpreted or inconsistently interpreted by eligibility workers. To that end, DEL has committed to training DSHS child care eligibility workers, not only about policy interpretation, but also about why early learning matters and how to deliver high-quality customer

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7. Allow multiple approaches to verify income.	service. The first training is scheduled for March 14. DEL commits to ongoing professional development for child care eligibility workers to ensure consistency and family focus. Examples of policies that require consistent interpretation are our multiple approaches to verifying incomes including the options listed in your report; acceptance of the family's full year calendar (through a new form that goes into effect April 2013); and our current ability to simplify change notification processes for 12 month subsidy.
8. Custody should be removed from WAC. It does not determine parental time.	Other WAC that need clarification/revision are (1) how many months parents may be on school holiday and retain subsidy eligibility and (2) removing child custody from the WAC.
9. Allow 12 month authorization without reporting changes (part or full time). 10. Allow 12 month authorization without reporting changes (part or full time). 11. Allow a sliding scale out of subsidy so parents don't turn down raises. 12. Allow parent to maintain child care through the end of the eligibility period (even if over income) 13. Increase eligibility to allow two year, four year and technical certifications.	In the context of 12 month subsidy, the 110 hour rule is under discussion. DEL's intent in the February 2012 clarification was to clearly communicate, "Give the family what they need." However, the 110 Rule would likely result in an audit finding of a gift of public funds. Consequently, the WAC needs to be changed to meet DEL's initial intent. DEL staff are directed to revise this policy, with input from the committee and others. Other WAC that need clarification/revision are (1) how many months parents may be on school holiday and retain subsidy eligibility and (2) removing child custody from the WAC.

Recommendations that Dr. Hyde does not currently support include:

- DEL help desk - undermines/dilutes the importance of DSHS Supervisors knowing, training and implementing policy interpretation updates.
- Sliding scale for income improvement during 12 month subsidy – a great idea but would limit access for needy families. In terms of child care subsidy, we need to get subsidies efficiently to the neediest families to get people back to work.
- On the issue of slots vs. units of care, for the short term, we will continue units of care. Inclusion of child care slots awaits the results of Puget Sound Educational Service District's recommendations on slots, results of which are due May 2013.
- While promoting child care subsidy for parents involved in 4-year higher education programs sounds reasonable, this concept was just recently rejected in the Legislature due to cost. Perhaps we could phase this in based on specified criteria as the economy improves.